G R S IX 5]

Previous references

Revenue

Rev 3532 12 8 14 B Nov 15

File No 168-17

1917-18 (Rev) 18/7/18 Serial Nos. 1

2

Later references

LB 110-19 89 112

LB 108-32 8 18 12 13

GENERAL AND REVENUE SECRETARIAT.

Serial Nos

Part B for Mar Chit

SUBJECT

Half yearly Audit of Municipal & Dist Fund Accounts

G O No 5380-400 Dr 28-3-1918.

The Comptr & Auditor Genl of Accts Presidency Corps, Presidency Bn City Mil Cl, Presidency Mysore City Mil Cl Presidency Sangers Mil & the Presidency Sanitary Bd & G T

Directs the Half yearly audit of Accts of Mil Councils & Local Bds'

W D 88—GPB—50,000—24-7-18

[S. & S. 11]

1917

GENERAL AND REVENUE SECRETARIAT

(Secret)

NOTES

File No 168/17

FILE HEADING

Half Yearly Audit of Municipal and District Fund Accounts

From

No.	Dated	Received

Diary No	Enclos	Spare Copies	Serial No

BRIEF ABSTRACT OF LETTER

NOTES AND ORDERS

P 70

NOTES—First Sheet.

WD 1288—GFB—60 000—1 12-16—S.

G R S III 2]

General and Revenue Secretariat | File No | of 191

KS & Misc 14 & 16

Serial No

Para 9 last subpara - of Fo. No 300
Sr of HL 132-16 - of 16th Nov 1916 -
Audit of HL accounts -
Steps taken to obtain reasons to
form the opinion of making a half yearly
audit of HL accts & charging Extr
cost to HL accounts -

2 S 170 (1) of the HL Regs: provides
for audit of HL accts by a fourth Auditor
"if the Govt so directs" & then the Auditor
being Controller from time to time & once a year at least
to examine & to prescribe a
half yearly audit & arrange for
the The Auditor shd in course
visit with the Comptroller & shd
seem necessary to consult him
as to how effect shd be given
to the new scheme

3 A draft is asked for appl
Revisory
on HL Accts

KP
18/6/17

4. If I remember right,
an order on the subject of
audit of local & municipal
accts was issued in 1916
while I was War Secr

NOTE—Cotton sheet

WP 1255— 1 12-16—S.

G R S III-2]

General and Revenue Secretariat | File No 146 of 191

Serial No

Let a copy of the orders finally passed be put up for reference in this file & the file returned to me
DR
22/6/17

22-6-17

5 Spare copies of GO's Nos 5212-25 Ml 26 15 2 & 18.1 1916 and 1030 41 L-B Mg. 16 2 & 2 8 1916 relating to Audit of Mun and DB Funds Accounts respectively are put up
HK
22-6-1917

6. The orders now put up appear to be based on the Secretary's Minute by the Commissioner — first part of ✓ 170 — The latter part of the Minute provides for the matter by post & it is with reference to this that the draft is now put up.

Rev Secy & on Spl. Duty

22/6/17

Attested 6.
HK

7 I have revised the draft which may be typed

NOTE—Contn sheet

WD 1288—G P E—68.6[illegible]—i 12-16—S.

L S & Misc 146-16

G R. S III 2]

General and Revenue Secretariat | File No | of 191

Serial No.

(Re order regarding the existing system may be taken in the meanwhile & put up

HM 25/6/17)

W H 2324-9
Gt 23-8
& 10-11-1910
I

S-Sl Though the order re existing system has not yet been taken, the draft is submitted separate for the Committee to act upon

HM 25/6/17

332 26-6-17 Secretariat-8 HP 25/6

HP 25/6-17

q d Stone

HM 28/6/17

HP 28/6-17

L.S.G Misc 14646

Serial No

To. The Comptroller, Mysore Govt
No 360 of 23-6-17

Calls for his proposals in the matter of auditing Mul Accounts for giving effect to the Local scheme of audit proposed in the Local Govt order in consonance with the existing system

From the Comptroller No L A D 3578
1-10-1917

Reports the Arrangements that will be made for the half-yearly audit of the Municipal Accounts & states that it is economical and desirable to have audit work relating to Dist & Taluk Boards performed half-yearly instead of yearly, as the audit of Mul & Dist accounts has to be done in the same places in which the Mul Accounts have to be audited, & that as regards the cost of audit need not be debited to the local bodies for reasons given & that if the Govt decide upon charging the cost of audit to Municipalities it will be necessary to fix some arbitrary amounts to be paid by Mul Cls according to their capacity and according to the time and attention of the Staff that

JD 1288—GPB—60 000—1 12-16—S.

5

D 903 / Pol Misc 146

G R S [III-2]

General and Revenue Secretariat | File No | of 191

Serial No

that may be regarded as required for the audit of their accounts.

10 Submitted for orders

HK

5 10 1917

11 The Comptroller suggests in his letter that arrangements would be made for half yearly audit of accounts of Ports and he has also observes that it would be desirable to adopt the same course in the case of Local Boards.

12 In para 9 of Govt order dt 16 11 16 it is stated that a certain percentage of establishment charges is incurred & the accounts would be debited & the reimbursements concerned But the Comptroller points out that there would be difficulty in fixing the amounts to be paid and suggests that the audit cost may be borne from state funds This suggestion is in accordance with present practice

Rev with res regd

Rev Secy)

MK
5/10

13 The Comptroller's suggestions may be accepted and orders may perhaps be passed after the reconstitution and notifications of the Municipalities

2nd member)

Dy
6 10 17

255
8 10 17

NOTE—Contn sheet.

6

903

D 1283—GPS—60 000—1 12-16—S.

R. S. III 2]

General and Revenue Secretariat | File No | of 191

Serial No. 14

14 Copies of the ~~Report~~ Orders passed by the Local Bodies may be awarded

15 The question under essential No 4 relates to the fee to be charged for the Audit-cycle

16 Re para 14 Attention is invited to para 3 of the Comptroller's letter under disposal No proposals for strengthening the establishment are promised by Comptroller to be submitted at present

17 Re para 15 In para 5 of the letter it is said that the Local Audit Staff audits not only the accounts of Municipalities and Dist Bds but those of certain departments of the State at Bangalore & Mysore and that therefore the contributions to be paid by the Local bodies have to be fixed arbitrarily From the orders it would appear that the staff for auditing accounts of Municipal Councils and Dist Bds should be distinct If this is the case, proposals

NOTE—Contn

SPB—60,000—1 12-16—6.

G R. S III-2]

General and Revenue Secretariat | File No | of 191

Serial No.

work have to be called for

18. May the issue of orders in this case be kept up till after the distribution of the new Districts as suggested by the Secretary in para 13 above?

19 Submitted for orders

A.K.

16 10 1917

20

MK 16/10

2nd Member)

16/10/17 21 Half yearly audit may be advised but the Govt report may be deleted to municipalities

22 Of course practice Mahapathi will draft

17/10/17

23 The Madras practice as regards the Audit of Municipal and Dist Fund Accounts is noted below.

(1) Municipal Accounts

Municipal Accounts shall be examined and audited half yearly under the orders of the Examiner of Local Funds (Madras Manual Art. 65) The staff of the establishment is

WD 1233—GPB—60 000—1 12-16—S.

G B. S III 2]

General and Revenue Secretariat | File No | of 191

Serial No

is debited to the Provincial Revenue
(Information obtained from the Civil
Budget estimate of the Madras Govt
for 1917 18)

(11) Local Fund Accounts

"The Audit of the Local Fund Accounts
of each District will be performed
by the Treasury Deputy-Collector by
means of the special establishment
placed at his disposal for the purpose
This will be the only detailed audit
to which the accounts will be subjected,
but the Accountant-General will, in
addition, arrange for a yearly test audit
besides subjecting the main accounts
submitted to him for a financial
review as to budget sanction correct-
ness of the classification of receipts
and expenditure charges & sanction
of the conduct of the balance heads.
× × " (Art 704 of the Madras Local
Fund Code)

The cost of the special establish
ment placed at the disposal of the
Treasury Dy Collector is in the provi-
sional instance met from Provincial Funds
& then recovered from the Local Fund

(Art

NOTE—Contn sheet

(Art 119 of the Madras L S Code & Sec 152 (2) of the Madras L B Act)

24. With reference to the observation of the 2nd Member in the margin of para 12 above, it is respectfully submitted that the Bill relating to the Rural Regn does not make reference to audit. Sec 170 of the Rural Regn States that the audit of Rl Accounts shall be audited by such agency as may be prescribed by Govt & the Rl Cl shall pay the charges for the audit as may be agreed upon or as may be prescribed by the Govt. But in practice nothing is being recovered from Rl Cls on account of audit.

In Cl 27 of the Bill relating to L B & Village Panchayats payt for establishment charges outside the area subject to the authority of the Dist. Bd is limited to only one item viz " to the payment of the expenses attending the audit of accounts of the Local Boards " "

25. A draft G O is submitted

NOTE—Contn sheet

WD 1288—[illegible]PB—60 000—3 12-16—S.

D903
LBG mis 146

G R S. III 2]

General and Revenue Secretariat | File No | of 191

Serial No

With reference to para 22 above

MK
9 11 917

26 Draft order laying down the general principle as put up for approval under sec 170 (3) of the Madras M. Regn. it is open to Govt to recover or not the audit charges from municipalities There would however be no reason to excuse the wealthier ones from payment of such charges but in the case of minor municipalities whose finances are so slender as to fall below a certain margin, viz the normal income not exceeding Rs 3000/- such charges may be waived The local boards may remit pay the audit charges to be fixed by the Comptroller

27 The D.T.B.Ds will have to make arrangements for the audit of the accounts of the Village Panchayats

MK
10 11 17

Rev Secy)

28

2nd member)

BZ
14 11 17
MK

279
14-11-17

29 The case is too small -
We have no objection to Govt may refer
municipalities The letter to
the Collector of Chingleput may be sent

NOTE—Contn sheet

903 — DWD 1922—GRS—50,000—1.12.18—S.

G. R S III 2]

General and Revenue Secretariat | File No | of 191

Serial No	
	for a Inspector was made Thank the work will be submitted forwarded time 27 and to with 2 clerks 30 The Comptroller may be requested asked to supply a cost the will approach by Datta's may be referred to W 11
26 of 1917 & 24.11.17	31 Forwarded with Compliments to the Comptroller for favour of a note with reference paragraphs 29 & 30 above By order Bangalore 17.11.1917 for Secy to Govt
	R. No. (1) The present sanctioned scale of Establishment for Local Audit of Municipal and District Funds Accounts is as follows -

1 Superintendent on Rs.100-10-150
2 Auditors on Rs. 70- 5-100
3 Auditors on Rs. 50- 3- 65
2 Asst Auditors on Rs. 30- 3- 45
1 Correspondence Clerk on Rs.25
5 Peons (1 on Rs.8 and 4 on Rs.7)

7 In the Reorganisation Scheme proposed by Mr. Datta, provision has been made for 6 Senior

and

NOTE—Contn sheet

W.J. 1233—GPB—60 000—1 12-16—S.

G R S III-2,

General and Revenue Secretariat | File No of 191 .

Serial No

and 6 Junior Auditors for the Local Audit of Municipal, District and Forest Accounts as well as for the audit of the initial accounts maintained in certain Government Offices at Bangalore and Mysore which are subject to "Outside audit" ~~or "Inside audit"~~

Of these 12 hands 3 may be taken as required for "Outside audit" and one for local audit of Forest Accounts, so that the remaining 8 will be for the local audit of Municipal and District Fund Accounts. The above provision is however meant only to meet the requirements of a system of annual audit, and as such will need modification under the proposed scheme of half-yearly audit. It is obvious that two half-yearly audits will take more time than a single annual audit although the accounts to be audited cover the same period in both cases. Not only is the time taken up in Journeys from place to place in the former case twice that required for the latter, but also the time involved in collecting the materials and settling down for work as well as in drawing up the report and closing the business cannot admit of reduction in proportion to the period covered by the audit. It is only after some practical experience of working of the new system of half yearly audit that a fair estimate

NOTE—Contn sheet

W1, 1283—GPS—60 000—1 12-16—S.

G R S III-2,

General and Revenue Secretariat | File No of 191 .

Serial No

estimate of additional staff required for the purpose can be made out If however it is -- necessary now to have a rough forecast, we may provide for an increase of 4 hands. There is besides increased work due to the growth of the number of Municipalities.

(2.) To come to the cost of audit chargeable to Municipal and District Funds, 12 hands may accordingly be considered as required for the peripatetic portion of the work. Besides this, the cost of 2 out of the 3 hands proposed by Mr. Datta for other work connected with -- Local and Outside Audits (Viz., 2 for Head quarter Office and 1 as Camp Clerk to accompany the Gazetted Officer on tour) will be a proper charge to be borne by the Local Bodies Then there is also the Gazetted Officer in charge of the Local Audit Department whose pay and Travelling Allowance have to be taken into account. At present this officer is also supervising - "Outside Audits" and I find that this arrangement is not working quite satisfactorily as the inspection work of Municipal and District Board Offices necessitates his prolonged -- absence from head-quarters while the supervisi of "Outside Audits" requires his presence at head-quarters For the present, we may

NOTE—Contn. sheet

Serial No

may treat ⅛ths of the time of the Gazetted Officer as being taken up in work connected with the Municipal and District Fund Accounts and this work would be done all the better if he could devote his whole time to it The total charges of audit of these accounts may accordingly be worked out as follows -

ZI DEC 1917

L.O No 97.

Establishment

	Monthly
14 hands (7 Senior Auditors on an average pay of Rs.80 and 7 Juniors Rs.40	Rs. 840
Travelling Allowance for 12 hands	600
7 Peons at Rs.8/-	56
Travelling Allowance for above	28

Gazetted Officer

Salary and Local Allowance	400	⅛ths 375
Travelling Allowance	100	

Total Rs 1,899 or roughly Rs.2,000/- per mensem

Bangalore,
1st December 1917

Comptroller.

CV/1-12

NOTE—Contn sheet

33.

WD 1283—GPB—60 000—1 12-16—S.

Serial No

33 Submitted with the Unofficial opinion of the Comptroller. The Comptroller does not say how the Cost should be apportioned between the Mil and the Local Funds HK (Please see para 30 above)

5- 12 1917

34 The Comptroller estimates the total monthly cost at Rs 2000/- inclusive of the Salary of the gazetted officer who he thinks should be ~~separately~~ a whole time officer for this work If this is the case the cost will increase by another Rs 100-

35 There are 8 Dt Boards, 77 Taluq Bds and when all the mehrs are duly constituted there will be about 105 mehrs of which 2 are city mehrs, 23 Town mehrs and the rest minor mehrs The total cost of Rs 24000 or Rs 25000 per annum, will have to be apportioned among these bodies The principle on which this should be done will have to be determined

36 According to Concluding para 9 of Govt Order of 16 11 16, the right to Contract half yearly audits is reserved to Govt but from Sec 170 (1) Mehrs Act it is seen that mehrs

S

NOTE—Contn sheet

WI) 1238—GPS—60 000—1 12-16—S.

G R S III-2)

General and Revenue Secretariat | File No | of 191

Serial No

none than once a year is not obligatory. In view of the opinion of the Comptroller regarding the time taken by the half yearly audit, it is a matter for consideration whether it is not expedient if only yearly audit is insisted upon. In this case the cost will be reduced by one fourth.

~~Submitted for orders~~ 37. It would perhaps be desirable to fix the cost of the audit at so much percent of the normal income of the local bodies, the balance portion from if any over the amount contributed being met from State funds. This also appears to be the spirit of the L.S.G. Order

S

Revised)

38

2nd member)

317
13.12.17

This is an important question which may be discussed in Council when early audit reports for the year ended 31st March 1917 are ready. Pending the Council orders only 1/4 of the R in this bill falls due during the year

Published in Secretariat)
May be discussed at the Council meeting

NOTE—Contn sheet

Chief Secy with Comptr.
31/12
15/1/18.

17

(For Disposal at early/an Meeting)

No. C. 374

8/1/1918

GENERAL AND REVENUE SECRETARIAT.

COUNCIL MATTER

SUBJECT

(Clause xii of the Schedule)

Question of prescribing a half yearly audit of accounts of Municipal Councils and Local Boards and requiring them to pay for the cost of audit.

CIRCULATED TO THE MEMBERS OF COUNCIL

By Order,

C. Balasundaram

Chief Secretary to Government

10th January 1918

Extraordinary Member of Council

26/1/18

First Member of Council

Second Member of Council

Opinion recorded

WL 2670—GPB—1 000—11-6-17

4. Subject.-Clause xii of the Schedule.

Question of prescribing a half-yearly audit of accounts of Municipal Councils and Local Boards and requiring them to pay for the cost of audit.

OPINION OF THE COUNCIL.-

A half-yearly audit of the accounts of Municipal Councils and Local Boards may be prescribed and half the cost of such audit may be ratcably levied from the several Councils and Boards.

Sd. M. Visvesvaraya.

Dewan of Mysore.

"EXTRACT"

Chief Secretary to Government

W1) 1238—GPL—60 000—1 12-16—S.

G R S III-2,

19

General and Revenue Secretariat | File No | of 191

Serial No

Extract from the Proceedings of the Council is put up

Forwarded with compliments to the Secretary to Government, Revenue Department, for favour of necessary further action

By Order,

C Balasubramanyam
Chief Secretary to Government,
~~General Department~~

Head Clerk for a D. N.

22.2.18

D. N. submitted

11/11
2/3/18

Asst Sec)

2nd member)

1/3/18
5.3.18

4.3.18

Submitted with a D.S.N.

Secretary)

4693
6.3.18

6.3.18

NOTE—Contn sheet

Final Note by the Second Member of Council

Subject —

Question of prescribing a half-yearly audit of accounts of Municipal Councils and Local Boards and requiring them to pay for the cost of audit.

In para 9 of Government Order No 3005-55/M1 132-16-1 dated the 16th November 1916, in the Local Self Government Scheme, it is stated that the Government reserve to themselves the right of making a half-yearly local audit of Municipal accounts and for this purpose a certain percentage of establishment charges incurred should be debited to the Municipal Councils concerned

2 The Comptroller who was requested to submit proposals for giving effect to the scheme of audit proposed in the above order stated that the work of auditing the accounts half-yearly from 1916-17 would be arranged for with the staff for Local Audit proposed in the Note of Mr Datta dated 13th September 1917 on the reorganization of the Comptroller's Office, that the accounts of District and Taluk Boards also would be audited half-yearly instead of yearly as at present, that after some experience is gained of the work done under the half-yearly arrangement, proposals for strengthening the staff would, if necessary, be submitted to Government He was also of opinion that in view of the slender financial condition of most of the Municipal Bodies, it was doubtful if the audit charges could be fairly debited to them and added that if Government decide upon charging the cost to Municipal Councils, it would be necessary to fix some arbitrary amounts to be paid by Municipalities according to their capacity and according to the time and attention of the staff that may be regarded as required for the audit of their accounts

3 The Comptroller estimates the total charges of auditing the accounts of Municipal and Local Funds, roughly, at Rs.2,000 per mensem

4. The payment of the expenses attending the audit of accounts of Municipal Councils and Local Boards is a legitimate charge on Municipal and District Funds, both under the Municipal and Local Boards Regulations As it was not desirable to divest the local bodies of their responsibility in this connexion, I observed in my Note dated 14th December 1917 as follows -

> "Half-yearly audit is necessary and I think Government may bear 50 per cent of cost thereby saddling the local bodies only with Rs 1,000 per month. This will fall less heavily on them"

5 The question was discussed in Council on the 20th February 1918 and the Council are of opinion that a half-yearly audit of the accounts of Municipal Councils and Local Boards may be prescribed, and half the cost of such audit may be rateably levied from the several Councils and Boards

6. The opinion of the Council may be approved Half the cost will, under the arrangement, be debited to State Funds

6th March 1918

Member of Council

Submitted to His Highness

I submit herewith a Final Note by the Second Member of Council on the subject of question of prescribing a half-yearly audit of accounts of Municipal Councils and Local Boards and requiring them to pay for the cost of audit,-
for His Highness' gracious approval

Dewan
14th Jan 1918

C 374

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject

Question of prescribing a half -- yearly audit of accounts of Municipal -- Councils and Local Boards and requiring them to pay for the cost of audit

1036

Order

15/3/18

D-1/23 Legis 146

WH 1298—H&K—60 000—1 12-16—S

24

G R S III-2

General and Revenue Secretariat | Pol File No 168 of 1917

Serial No

Draft G.O is submitted

HK
19 3 1918

Kind reference is invited to the routine note put up.

(Secretary)

MK
20/3

on approval
The draft may issue

with the concurrence of the Financial Branch.

HDZ
20 3 18

(2nd member)

162
21 3 18.

CM
21/3

N & REV SECRETARIAT II FILE [illegible]

(Sr II)

hm
22 3 18

MK

A/237717

Sub
MK
23/3/18

(Secy)

AS
20 3 18

MK
24/3/18

(Sr IV)

Submitted for orders as to whether the order may issue now.

HK
25 3 1918

Issue
MK
25/3

NOTE—Contn sheet

WI) 1239—GPB—6C COO—1 12-16—S

(25

G R S III 2)

General and Revenue Secretariat | Mil File No 168 of 1917

Serial No	
	Finance Br Consulted — Papers 21
	Draft Hgair Communicating the orders is Submitted
	Mil 9m 16/4
	16 2.4.18
	Communicated 2/4
1	To The Comptr, D. Cs of Bds, Prests of S.T.Bds, Prests of Bangalore & Mysore City Mil Cs, Prest of Shimoga and the Prest of Sang Bd & C.T.
	No 5380-600 (Mil 168/17/1) dt 28 3 1918
	Directs as half yearly Accts of Mil Cs & Local Bds for each year 1917-18 & onwards

NOTE—Contn sheet

ROUTINE NOTES

[To be used only for notes requisitions, etc., not intended for permanent record]

D 903

LSG No. 146

Draft G O re audit of accounts of Mal cls 2 half-years

May the G O issue from Br IV or should it through Br II which has not been consulted in the matter?

May the order be addressed to the Secy. of the Savy Bd Kolar Gold Fields which body is not governed by the provisions of the L & B Regn?

HK

20 3 1918

The order may issue through Branch II to the K.G.F. San Board is getting a share of the local cess it should pay for the audit

HK 20/3

N B —Should routine notes be written on small slips the notes must be copied or slips pasted on this form

GRSM SL 468

Rev Sec?)

C.R.S. III–3]

ROUTINE NOTES

[To be used only for notes requisitions etc., not intended for permanent record]

N B —Should routine notes be written on small slips the notes must be copied or slips pasted on this form

GRSM SL 400.

Re the audit of Municipal accounts

1

G R S 26]

L.S.G. File No

Serial No

Diary No of letter replied to .....

No 360 / S.S. 29/6/17

General and Revenue Secretariat

( )

, the 191

Date of issue 29-6-17

Signed by M. B. Subba Rao

To

The Comptroller

Sir,

I am directed to invite your attention to S.170 of the Mysore Municipal Regulation and to para 9, last Sub Paragraph, of G O No 3005-55 Ml.132-16-1 dated 16th November 1916 regarding audit of accounts of Municipalities and to request the favour of your proposals for giving effect to the scheme of audit proposed in the latter order in consonance with the existing system.

2 According to the revised classification of Municipalities made under the said

over order,

SUBJECT

order, it is expected there will be

2 City Municipalities,

30 Town Municipalities,

74 Minor Municipalities.

3 The favour of a reply before 15th July 1917 is requested

I have &c.

Secretary L Govt Rev Dept

ans 5/7/17

26.6.1917

27.6.17

W.15.6

26/6/17

List of enclosures

Copied by

Examined by

GPB—99,C92—10-10-14

It is requested that in future communications on the subject the No and date of this letter and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller Mysore Government

the communications

3417

No X40157 OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

FORM Dated Bangalore, the 1st October 1917

DIWAN BAHADUR L. G. CHAKRAVARTI, B.A., M.R.A.S.,

M. N. Krishna Rao Esq., *Comptroller to the Government of His Highness the Maharaja of Mysore*

To

V. R. Thyagaraja Iyar, Esq, M.A.,

Secretary to the Government of Mysore,

Revenue *Department*

on Special Duty.

SIR,

The proposals called for in your letter No. 360/LSB. dated 29th June 1917 relate to two points:

(1) Making the audit of accounts of Municipalities half-yearly instead of yearly, and

(2) Requiring Municipalities to pay for the cost of audit.

2. Half-yearly audit is certainly desirable and it should be arranged for. The work of two half-years i.e, half-years ending with December 1916 and June 1917 has to be done and is now in progress. The work to be done till about the end of January when the accounts for the half-year ending with December 1917 will be ready, will have to be done according to the old system of annual audit. After the accounts for the current half-year become ready, they will be arranged to be audited along with those for 1916-17 in the case of all Municipalities whose accounts are taken up for audit from February next. During the next round of visits which the Auditors will pay to the Municipalities, the accounts of some of them will have to be audited for 2 half-years i.e., those ending with December 1917 and June 1918 and of some others for only one half-year ending with June 1918. Thereafter the work to be done will be regularly for half-years.

GPB—2,000—25-3-14

C O 42-Rec —17]

Department

191

FROM

DIWAN BAHADUR
J S CHAKRAVARTI, ESQ, M A,
F R.A S, ETC,
Comptroller to the Govt of
H H the Maharaja of Mysore

To

, ESQ.,
Secretary to the Govt of Mysore,
Dept

Dated

Despatched

Received

No

Subject matter

3. As regards the establishment required for doing the work half-yearly instead of yearly, it is not possible to express any definite opinion at present. Work as detailed in the previous para will be arranged for with the staff for Local Audit proposed in the note of Mr. Datta dated 13th September 1917 on the re-organisation of this office. After some experience is gained of the work done under the half-yearly arrangement, proposals for strengthening the staff will, if necessary, be submitted to Government.

4. As the local audit work relating to District and Taluk Boards has to be done in the same places in which the Municipal Accounts work has also to be done, it is economical and desirable to have this work also performed half-yearly instead of yearly — as under the present procedure. This will also be arranged for in the manner proposed for Municipal Accounts in para 2 supra.

5. As regards charging the cost of audit to Municipalities, this system was in force some years ago - Vide Government Order No. 602-20/L.F.12-02 dated 15th July 1892 and it was given up, as ordered in Government Order No. 7805-13/L.F.67-97 dated 4th January 1900. In view of the want of adequate funds for the local bodies to provide for the many requirements which they have to meet, it is considered desirable to add to their resources and in view of this it is not clear if it is necessary to charge to them the cost of audit. The exact cost of audit will vary from time to time according to the men on different rates of pay posted for this work and it is also not easy to ascertain what share of cost of the Assistant Comptroller in charge of Local Audit Department, who attends to other work in addition to that relating to Municipal Accounts and of the Comptroller, should be charged to Municipalities. As the same local audit staff is engaged on the work relating to District Fund Accounts and also the examination of the accounts of some of the offices at Mysore and Bangalore other than those coming under the Local Audit Scheme of Municipalities, District and Taluk Boards, it is not

easy to ascertain what share of even the cost of the establishment directly engaged on local audit work should be assessed as transferrable to the Municipalities or District Funds. If Government decide upon charging the cost of audit to Municipalities, it will be necessary to fix some arbitrary amount to be paid by Municipalities according to the time and attention of the staff that may be regarded as required for the audit of their accounts.

I have the honor to be,

Sir,

Your most obedient servant,

Comptroller.

SAM.

G.R.S VI-71]

SUBJECT Half-yearly audit of Mul. & Local Fund Accounts

Diary No. of letter replied to 903

General and Revenue Secretariat

(IV)

the 191

Date of issue.... 2-4-18

Signed by Mr. P. Kesava Iyer

Section Mun.

File No 168-17

Serial No 1

Proceedings of the Government of His Highness the Maharaja of Mysore

Read— Paragraph 99 G.O No 3005-55 Mul 132 16 dt the 16th November 1916 stating that among other matters, the Govt reserve to themselves the right of making a half yearly local audit of Municipal accounts and that for this purpose a certain percentage of establishment charges incurred will be debited to the Municipal Councils concerned.

~~Order Thereon:— No.~~

to be printed?

treated as a standing order?

published in the Gazette English part?

translated?

placed at the disposal of the Press?

published in the Gazette Kannada part?

over 2

Letter No C.A.D. 3578 dt 1st October 1917 from the Comptr to the Govt of H.H the Maharaja of Mysore reporting, with reference to the Secretariat letter No 360 L&G dated the 29th June 1917, that arrangements will be made for the half yearly audit of the accounts of the Municipal Councils Commencing from the year 1917-'18, and stating that it is economical and desirable to have the audit work relating to the Districts and Taluk Boards performed ~~yearly~~ instead of ~~half yearly~~ half-yearly instead of yearly -

Order. No 5380-400 / 5380-400 / mb 168-17-18 dt 28 3 18

Govt are pleased to direct that the accounts of the Municipal Councils and Local Boards for

List of enclosures.

Copied by

Examined by

G R S 27]

GENERAL AND REVENUE SECRETARIAT

(Continuation sheet draft form)

for the year 1917-18 and onwards be audited half yearly.

2- The payment of the expenses attending the audit of accounts of Municipal Councils and Local Boards is a legitimate charge on Municipal and District Funds, both under the Municipal and Local Boards Regulations. Comptroller estimates the total charges for auditing these accounts roughly at Rs 2000/ per mensem. With reference to paragraph 9 of the G O of the 16th Nov 1916 read above Govt direct that one half of the cost of audit of the accounts in question be rateably levied from the several Municipal Councils and District Boards, and the other half debited to the

Add proposal for levying the regular audit fee, maybe amended by Legal - a draft order made to make the transaction

4

State Funds 2

Bangalore 3 Dec

HM MC 3/3 Offg Chief Secy to Govt, Bangalore.

19-3-918

To

The Comptroller thro Dist

Drafts for unpd
Communication & Mileage -
Presidents of Dist Bds

Presidents of the Bangalore City
Dist Mal Chief Secy a Covering letter

Presidents of the Bangalore City Taluk
President of the Municipal Council
thro' the Dy Comr Kolar Dist -
President Dist Bd, Kolar Gold Fields.

No 5380-400—Ml. 168-17-1, dated 28th March 1918

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

GENERAL AND REVENUE DEPARTMENTS

Read—

Paragraph 9 of Government Order No 3005 55—Ml 132-16-1, dated the 16th November 1916, stating that among other matters, the Government reserve to themselves the right of making a half yearly local audit of Municipal accounts and that for this purpose a certain percentage of establishment charges incurred will be debited to the Municipal Councils concerned

2 Letter No L A D 357, dated the 1st October 1917, from the Comptroller to the Government of His Highness the Maharaja of Mysore, reporting, with reference to the Secretariat letter No 360—L S G, dated the 29th June 1917, that arrangements will be made for half-yearly audit of the accounts of the Municipal Councils commencing from the year 1917-18, and stating that it is economical and desirable to have the audit work relating to the District and Taluk Boards performed half yearly instead of yearly

Order No 5380-400—Ml 168-17-1, dated 28th March 1918

Government are pleased to direct that the accounts of the Municipal Councils and Local Boards for the year 1917-18 and onwards be audited half yearly

2 The payment of the expenses attending the audit of accounts of Municipal Councils and Local Boards is a legitimate charge on Municipal and District Funds both under the Municipal and Local Boards Regulations The Comptroller estimates the total charges for auditing these accounts roughly at Rs 2,000 per mensem Definite proposals for enlisting the regular establishment may be submitted to Government and early arrangements made to make the first audit With reference to the paragraph 9 of the Government Order of the 16th November 1916 read above, Government direct that one half of the cost of audit of the accounts in question be rateably levied from the several Municipal Councils and District Boards, and the other half debited to State Funds

B RAMASWAMAIYA,
Offg Secy to Govt, Rev Dept

To—The Comptroller to Government, through Branch II
The Deputy Commissioners of Districts for information and communication to the Municipal Councils
The Presidents of District Boards
The President of the Bangalore City Municipal Council
The President of the Mysore City Municipal Council
The President of the Sringeri Municipality through the Deputy Commissioner, Kadur District
The President, Sanitary Board, Kolar Gold Fields

End—C R

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G O. No. 5380-409—Ml. 168-17-1.
dated 28th March 1918.

Accounts of Municipal Councils and Local Boards

Directs the [redacted]ly audit of ——— for the year 1917 18 and onwards.

W D A2026—GIPB—9-4-18—300